

SUMMARY AND RECOMMENDATIONS FOR MOVING FORWARD

Background

On 19-20 November 2007, a conference on the theme “Turning Transnational? International Migration and Development Prospects” was held at the Pan Pacific Manila. The conference brought together participants from government agencies, NGOs, migrants and migrants’ associations, academe, the business sector, international organizations and media. Resource persons from Mexico, another primary emigration country, shared Mexico’s experience and provided insights for comparative purposes. The overall objective of the conference was to bring together actors and institutions in the migration and development sectors in order to examine the migration-development nexus in the Philippine context.

The assessment is much needed in the light of unabated international migration from the Philippines since the 1970s, particularly migration for employment. Overseas Filipino workers (OFWs) comprise the majority of the 8-million strong Filipino diaspora. The state-led overseas employment program has evolved into an institutionalized phenomenon, which has touched the economic, social, cultural and political aspects of Philippine society. A culture of migration has developed wherein finding a good life has become associated with working abroad. The Philippines’ ascent as the primary source of workers for the world has not been equaled by convincing evidence that international migration has contributed to sustainable development. In general, remittances have improved the economic conditions of migrants’ families and the country’s balance of payments position. The hoped-for benefits in terms of easing the unemployment problem and the transfer of resources (knowledge, capital and technology) to support development processes in the Philippines have not been realized, or at the least, evidence thus far are insufficient. Meanwhile, the human and social costs of international migration are persistent concerns.

Several internal and external factors suggest that international migration will continue to play a prominent role in the Philippines’ future.

The larger context of globalization triggers processes that give rise to emigration pressures and possibilities. On the one hand, emigration pressures are created by the displacing and unequal impacts of globalization, but on the other hand, the flow of ideas, goods, capital and people has increased because of fast, cheap and easy access to communication and travel. Differences and disparities in the 3Ds – demography, development and democracy – generate push factors in migrant- sending countries and pull factors in migrant-receiving areas. Population decline and the aging of the population in the more developed countries are crucial in creating the demand for migrants of all skill levels.

Internally, the country’s labor surplus and a lackluster economy create strong push factors that compel Filipinos to look for jobs overseas. With a young and relatively educated population and with extensive networks around the globe, the stage is set for further migration. Over time, the state’s labor migration policy, the expansion of the migration

industry, and the development of a culture of migration contribute to sustaining the phenomenon.

The target to deploy a million workers every year and the goal to deploy more highly skilled and professional migrants in the future are policy directions that must be reexamined in relation to development prospects. The 2004-2010 Medium Term Development Plan recognizes that "... overseas Filipinos will continue to play a critical role in the country's economic and social stability."

With close to four decades of international migration, transnational elements have been introduced in Philippine society, of which the most obvious are remittances and the worldwide links between Filipinos at home and those overseas. Philippine institutions, from the most basic unit of society, the family, to religious institutions, education, business and industry, and government (national and local) are being transformed by continuing links to Filipinos overseas. The government has "extended" the state to Filipinos abroad through absentee voting, dual citizenship, and expanding the services and support to "assistance to nationals." In turn, a significant number of overseas Filipinos continue to keep their links to the Philippines, notwithstanding the distance. The involvement of overseas Filipinos, either individually or collectively, to contribute to development processes in the Philippines was given focus in the conference.

To date, most of the analysis of Filipino international migration has focused on international labor migration, which is understandable given its prominence. There is a need not only to expand our scope of analysis to other forms of international migration from the Philippines, and into the Philippines. Moreover, international migration policies *and* development policies have to consider their impact on each other.

Data Sources

The presentations and discussions during the two-day conference identified key messages from which recommendations can be culled for enhancing the contributions of international migration to development.

Another source of data is the roundtable discussions (RTDs) that were carried out with selected stakeholders between August and October 2007. The RTDs sought to determine the following: views and perceptions concerning the role of international migration on the development prospects of the Philippines; views, perceptions and experiences in cooperating with overseas Filipino communities; and the role that stakeholders envision their organization play (or will play) in policies or programs in the area of international migration and development. The consultations were organized into the following clusters:

- *Migration-related agencies:* convened by the Scalabrini Migration Center and the Commission on Filipinos Overseas (Philippine Overseas Employment Administration, Overseas Workers Welfare Administration)
- *Human resource development agencies:* convened by the Commission on Filipinos Overseas

(Commission on Higher Education, Technical Education and Skills Authority, Technology Resource Center, Professional Regulation Commission)

- *National development agencies:* convened by the National Economic Development Authority
(Department of Health, Commission on Population, Department of Health, Bangko Sentral ng Pilipinas, Department of Trade and Industry, Department of Finance, Philippine Retirement Authority)
- *Local development agencies:* convened by the Scalabrini Migration Center
(League of the Provinces of the Philippines, Cooperative Development Authority, UP National College of Public Administration)
- *Migration-oriented NGOs:* convened by the Scalabrini Migration Center
(Development Action for Women Network, Episcopal Commission for the Pastoral Care of Migrants and Itinerant People, Center for Migrant Advocacy, Unlad Kabayan)
- *International organizations:* convened by the International Organization for Migration
(International Labor Organization, UN Development Programme, UN Fund for Population, World Bank, European Commission, GTZ (observer))
- *Foundations engaged in social responsibility:* convened by the AIM Policy Center
(Ayala Foundation, Inc., Philippine Business for Social Progress, Makati Businessmen's Club)
- *Recruitment agencies:* convened by the Commission on Filipinos Overseas and Scalabrini Migration Center
(3 land-based agencies, 1 manning agency)

Data, insights and perspectives from these two exercises have been integrated and have been transformed into key issues and recommendations.

Key Issues

Although macro indicators in recent years suggest economic growth, unemployment is still a major development challenge in the Philippines in general, and the major driver of overseas employment. The unemployment problem has several facets.

Some sectors lament the jobless growth exhibited by the Philippine economy.

Another consideration is high population growth - although jobs may be generated, these are not sufficient to keep up with the growth of the labor force: every year, some 1.3 million job seekers are added to the labor market. The Philippines' 2 percent growth rate (2.3 percent in some reports) is among the highest in Asia, and

the highest among labor-sending countries.¹ Against this demographic backdrop, the deployment of Filipino workers does not make a significant dent in unemployment (also, a large part of annual deployment involves rehires).

Also, there is the problem of jobs-skills mismatch. There is a demand for workers in certain jobs and industries, but jobseekers are not equipped with the requisite competencies.

Overseas employment has become the preferred option of many Filipinos. The government does have the duty to uphold the right to migrate, but above all, it should be committed to ensuring the right of people to stay and/or to return.

International migration realities have implications for development which must be integrated and mainstreamed in the development policies and programs of the national government and local governments. Conversely, international migration policies need to consider the development implications of international migration patterns and policies.

International migration can contribute to development, *but* the development potentials of international migration are not automatic or inevitable. Lessons from former emigration countries and data from the experiences of sending countries that are known to benefit from international migration show that other policies and programs were in place, which triggered and sustained economic growth and development. The more successful countries did not develop based on remittances alone, or in relying on sending their nationals to work overseas.

International migration can pose some risks and threats which can derail the development prospects of the Philippines.

In view of the increasing share of skilled and professional Filipinos leaving for overseas employment, the possibility of brain drain was raised anew. There are indications that the out-migration of nurses may adversely affect the health care system in the Philippines. The impact of recent nurse migration appears to be more deleterious than in the past. Due to the large numbers of nurses produced by the country every year, there is no nurse shortage as such. However, there is a shortage of nurses with specialization and experience. With an eye on jobs abroad, the Philippines is becoming a “halfway house” for many nurses who complete enough work experience to help them land a job abroad.

Continuing and greater prospects of international migration from the Philippines may have implications for the country’s stock of human resources. Based on current trends in post-secondary education, the Philippines’ future human resource pool may be skewed in favor of certain skills and with severe shortage in other skill areas. For example, the country has some 550,000 registered seafarers, of whom some 300,000 are unemployed. Enrollment in nursing programs has soared in view of job prospects overseas. The career planning of Filipinos has become attuned to the

¹ It is also the highest compared to other labor-sending countries in Asia (the Philippines shares this record with Nepal): Indonesia, 1.2 percent; Thailand, 0.5 percent; Vietnam, 1.4 percent; Bangladesh, 1.7 percent; India, 1.5 percent; Pakistan, 1.8; Sri Lanka, 1.1 percent (ESCAP, 2007).

needs of the global labor market, and educational institutions have readily responded to support career-cum-migration intentions. Industry studies are needed to map out current and future needs vis-à-vis current and future supply of skills.²

There is a need to review the government's vision to deploy more highly skilled and professional migrants in the future, viewing this migration as less risky and investing in it the possibility of brain gain. The needs of the domestic labor market must not be neglected. Aside from (experienced and trained) nurses, the country is losing other highly skilled people, including managers. The optimism that brain drain may be transformed into brain gain must be tempered. Since highly skilled and professional migrants are offered residence (and citizenship) by receiving countries, the Philippines may "lose" them altogether. Drawing on lessons from other countries, it is sounder to go for interventions that will retain the highly skilled; it is more difficult to attract them back, especially for good.

International migration carries social costs, particularly for migrants (especially for women migrants who are concentrated in unprotected sectors) and their families. This consideration should not be left out in the examination of the migration-development nexus.

Remittances have become an important pillar of the Philippine economy. The contributions of remittances to the country's macroeconomic stability are acknowledged by all stakeholders. Strides have been made in increasing the use of formal channels and in lowering transaction costs. There are concerns about the use of remittances for non-productive purposes and financial literacy programs have been launched by various GOs and NGOs to promote the productive use of remittances. These information/education programs directed at families must be matched by policies and programs that will maximize the benefits of remittances to the larger community. Concerns were raised about moral hazards and the Dutch disease, which must be addressed.

Although they are not as widely documented, other remittances (collective remittances, social remittances) are contributing to social programs in the Philippines, initiated and/or sustained by local institutions (government agencies, NGOs, migrants' associations)

In the area of migration-related policy directions, some recent trends appear promising:

- The refocus on reintegration must be sustained and fine-tuned to make return migration a real choice and option for migrants. Previous reintegration programs were focused on turning migrants to become entrepreneurs. Other alternatives should be examined, such as how the skills and knowledge of returning migrants can be harnessed in the domestic labor market.
- Measures to enhance evidence-based policy directions have been taken to address nurse migration. The Department of Health has undertaken/plans the following: the development of the Human Resources for Health (HRH) Master Plan, the formation of a multi-agency/intra-sectoral HRH Network, and the conduct of the HRH stock survey nationwide. Similar efforts may be useful in assessing the migration of other highly skilled and professional migrants.

² The 2006 National Employment Summit identified current and future demand for jobs in selected sectors. The top three are in agribusiness, ICT and hotel/restaurant.

- Bilateral agreements with Canada, which incorporates development cooperation, point towards a migration policy beyond deployment.

Overseas employment and remittances cannot substitute for sound, coherent development policies.

Recommendations

Policy

Good governance, both national and local levels, is a must; building trust in government institutions

Promoting domestic employment

- Explore areas of the Philippines' comparative advantage and further develop these sectors (e.g., tourism was cited as a promising area, but investments in infrastructure are necessary)
- Expand employment options to include entrepreneurship (e.g., the Technology Resource Center has lobbied with some educational institutions to include entrepreneurship in the curriculum; it has also partnered with local governments to promote entrepreneurship)

International migration and development prospects

- Expand the country's migration policy to consider the various types of international migrants from the Philippines, i.e., aside from policies concerning international labor migration, what are the government's policies towards Filipino emigrants or permanent settlers?
- Development prospects have transnational dimensions: identify windows of opportunity; at the same time, do not lose sight of potential threats, vulnerabilities and social costs
- Beyond the national picture; focus on local government units
- Strengthening reintegration programs and policies: the return of migrant workers is a given; consider different types of return migration

Policy coherence and coordination to promote sustainable development

- Development is necessary for voluntary mobility vs. compulsory migration
- In negotiating with countries of destination, aim for cooperation for development; the idea of migration management should incorporate reciprocity between sending and receiving countries
- Migration and development policy should have full respect for the human and labor migrants of migrants at all stages of the migration process
- Sending countries need to address structural constraints
- Promote the social mobility of the diaspora in countries of destination
- Promote new channels for positive migrant circularity (incentives, not compulsion; development avenues)

Engaging with overseas Filipinos

- As partners in development, overseas Filipinos must be involved in decision-making (e.g., Mexico's council of Mexican communities?)

- As partners in development, Philippine-based institutions have a role to play: what are we prepared to bring to the table?

Research

Addressing data gaps

- There are various available data, but they are limited to monitoring purposes
- The need to mainstream research in policy/advocacy-making (e.g., creation of a research council?)

Migration-development nexus

- Approach is traditionally how migration can contribute to development; need to rethink migration from a broader scope of development; development not bounded by migration

Proposal for a South perspective

- Migration has been dominated by the perspective(s) of the North
- South actors and institutions have possibilities to expand “partner relations” and to relate as equals
- Explore new categories of analysis; new information systems

Advocacy

More coordination and assessment of migration-development initiatives – GOs, NGOs, migrants' associations